



## **DEPARTMENT OF AGRICULTURE (3410-XV-U)**

### **Rural Housing Service**

#### **Request for Proposals: Multi-Family Housing Transfer and Prepayment Technical Assistance Grants**

**AGENCY:** Rural Housing Service, USDA.

**ACTION:** Notice.

**SUMMARY:** This Request for Proposal (RFP or Notice) announces an availability of funds and the timeframe to submit proposals for Multi-Family Housing (MFH) Transfer and Prepayment Technical Assistance (TA) grants. Section 771 of the Consolidated Appropriations Act, 2017 appropriated \$1,000,000 to provide grants to qualified non-profit organizations and public housing authorities (PHA). Selected grantees will use the funds to provide financial and legal TA to the Rural Housing Service (RHS) MFH loan applicants to facilitate the acquisition of RHS Section 515 properties with maturing Rural Development (RD) mortgages, in areas at risk of losing affordable housing. Consistent with Section 771 and the pilot program initiated by RHS on March 1, 2017 (available at: [www.rd.usda.gov/files/RDUL-Nonprofit.pdf](http://www.rd.usda.gov/files/RDUL-Nonprofit.pdf)), this RFP is soliciting proposals from qualified non-profit organizations and PHA to provide TA to MFH loan applicants who are qualified non-profit organizations and PHA with their acquisitions of Section 515 properties with maturing mortgages.

Work performed under these grants is expected to result in an increased

submission of quality applications for transfers of Section 515 properties to eligible non-profit and PHA loan applicants as defined in [RD regulations](#). Furthermore, it will result in the preservation and continued availability of decent, safe, and sanitary housing for eligible Rural Rental Housing (RRH) tenants and maximize the Government's ongoing return on the public's investment in rural areas.

The grant funds must be used to assist eligible loan applicants with specific transactions to acquire Section 515 projects with maturing mortgages under the pilot program. Grant funds are available for obligation through September 30, 2018.

**DATES:** [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** Complete proposals should be addressed to Mirna Reyes-Bible, Finance and Loan Analyst, Preservation and Direct Loan Division, STOP 0781 (Room 1243-S), USDA Rural Development, 1400 Independence Avenue, S.W., Washington, D.C.

20250-0781 and must be received by 5:00 PM Eastern Daylight Time [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION in the FEDERAL REGISTER] (deadline).

You should contact a U.S. Department of Agriculture (USDA) Rural Development State Office if you have questions. You are encouraged to contact your State Office well in advance of the proposal deadline to ask any questions about the process. Contact information for State Offices can be found at <https://www.rd.usda.gov/contact-us/state-offices>.

Program guidance as well as application guidance may be obtained at: <https://www.rd.usda.gov/programs-services/multi-family-housing-direct-loans>.

Please review the [grants.gov](https://www.grants.gov) web site at:

<http://grants.gov/applicants/organization/registration.jsp> for instructions on the process of registering your organization as soon as possible to ensure you are able to meet the proposal deadline. Proposals received after the deadline will not be evaluated.

RHS will date and time stamp incoming proposals to evidence timely receipt and; upon request, will provide the responding entities with a written acknowledgement of receipt.

**FOR FURTHER INFORMATION CONTACT:** Mirna Reyes-Bible, Finance and Loan Analyst, Preservation and Direct Loan Division, STOP 0781 (Room 1243-S), USDA Rural Development, 1400 Independence Avenue, S.W., Washington, D.C. 20250-0781, telephone: (202) 720-1753 (this is not a toll free number), or via e-mail: [mirna.reyesbible@wdc.usda.gov](mailto:mirna.reyesbible@wdc.usda.gov).

**SUPPLEMENTARY INFORMATION:**

Overview Information

*Federal Agency Name:* Rural Housing Service

*Funding Opportunity Title:* Request for Proposals: Multi-Family Housing Transfer and Prepayment Technical Assistance Grants

*Announcement Type:* Initial Announcement

*Catalog of Federal Domestic Assistance:* 10.447

*Dates:* The deadline for receipt of all proposals in response to this RFP is 5:00 PM,

Eastern Daylight Time, on **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**Paperwork Reduction Act**

In accordance with the Paperwork Reduction Act, the paperwork burden associated with this Notice has been approved by the Office of Management and Budget (OMB) under OMB Control Number 0570-0006.

### **Funding Opportunity Description**

The TA grants authorized under this Notice are for the purpose of facilitating the transfer and preservation of existing RRH properties with maturing mortgages under Section 515 of the Housing Act of 1949, as amended. RHS regulations for the Section 515 program are published at 7 CFR part 3560. Proposals must demonstrate the responding entity's experience and expertise in all aspects of acquisition and rehabilitation of affordable MFH properties and their demonstrated capacity to provide advisory services in affordable housing. All responding entities must project the net Return on Investment (ROI) of the grant funds being requested to demonstrate the relative effectiveness and efficiency of grantee's proposed Statement of Work (SOW) for future Agency decisions and program revisions.

Responding entities may submit separate requests involving properties in multiple local areas. For the purpose of this Notice, responding entities may and are encouraged to submit a grant proposal for multiple local areas provided they are within the same region as described in this section. A responding entity may apply to more than one region; however, separate proposals must be submitted for each region. Entities interested in responding to this Notice must consult with the Rural Development State Director in the proposal's region to develop a list of targeted local areas in their respective State Office jurisdictions. To effectively represent the geographic diversity of

projects within the RD portfolio the Agency will consider and score all proposals on a regional basis. RHS intends to award at least one grant for each of the four geographic regions listed below.

North-East: CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VT, VI, WV

South: AL, AR, FL, GA, KY, LA, NC, OK, MS, PR, SC, TN, TX, VI

Mid-West: IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, SD, WI

West: AK, AZ, CA, CO, HI, ID, MT, NV, NM, OR, UT, WA, WY, WP

## **I. Award Information**

RHS will evaluate and score the grant applications according to the criteria set forth in this Notice. RHS will select grantees based on the scoring as well as the goal of achieving the highest number of different grantees, areas and loan applicants, and cost-efficiency. The maximum award within a region will be \$250,000. The maximum total expenditure for all TA services, including administrative costs, per project is \$40,000.

RHS has the authority under the Act to utilize up to 100 percent of the Section 771 appropriation for MFH TA grants. Funds not obligated to initial awardees by June 1, 2018, may be awarded to other non-profit and/or PHA applicants waiting for the TA grants based on scoring.

When selecting a grantee, RHS may request changes to the SOW (see Part III of this Notice). Grantees must execute a Grant Agreement that will, among other things, incorporate a SOW (see Part III of this Notice) agreed to by the RHS. If the selected grantee does not accept the terms of RHS and/or does not deliver an executed Grant Agreement to RHS within ten business days after receiving the Grant Agreement with the agreed upon SOW, RHS may choose to rescind the award and select another grantee

without further notice.

## **II. Eligibility Information**

Eligibility for grants under this Notice is limited to non-profit organizations and PHAs meeting the requirements specified in this Notice.

### **A. Expertise and Capacity**

Eligible grantees must have the knowledge, ability, technical expertise, practical experience, and capacity necessary to develop and package Section 515 property transfer transactions. They must also be able to demonstrate the ability to provide TA to non-profits and/or PHAs to facilitate their acquisition of Section 515 properties, including, but not limited to, the submission of loan application packages. In addition, all eligible grantees must possess the ability to exercise leadership, organize work, and prioritize assignments to meet work demands in a timely and cost efficient manner. Eligible grantees will include a proposed SOW (see Section III of this Notice) which will be evaluated as part of any eligibility qualification and award determination.

### **B. Organization Status**

Responding entities must document each of the following in their response:

1. Status as a non-profit and/or PHA.
2. Good standing within the State you are organized.
3. Legal authority to operate and deliver financial and legal TA under the applicable State law for the State(s) you propose to deliver the TA. Examples of acceptable documentation include but are not limited to bylaws, organizational charters, and statutes or regulations.

4. No current or unresolved default or violation of any other Federal, State or local grant or loan agreement(s).

5. Experience in providing TA for MFH affordable housing (describe in the SOW).

6. The requirements above will also apply to any entity performing services on behalf of the respondent.

### **III. SOW**

Responding entities must submit a detailed SOW describing each of the following requirements:

1. An introduction/overview with a description of your plan to provide TA to non-profits and PHAs in the acquisition of Section 515 properties with maturing mortgages.

2. Explain your organization's capabilities to execute your plan, focusing on the elements described in Section II.A of this RFP.

3. Provide a timeline projection with when, how, and to whom you intend to provide the TA. Include a grant funds usage projection that corresponds with the timeline and illustrates administrative costs in dollars, and as a percentage of the TA services provided. Please see Section IV for more information regarding eligible costs.

4. Describe the types of TA you propose to provide for non-profits and/or PHAs to enable them to submit successful transfer applications to RHS.

5. Describe how you will access other funding sources for any needed development and/or construction, repair and rehabilitation of the MFH properties.

6. Describe which services you will provide directly and which you will provide through third parties.
7. Describe how you will identify potential sellers of properties to be acquired by non-profits and/or PHAs.
8. Explain your process to use grant funds to non-profits and/or PHAs for actual legal and financial soft cost expenditures.
9. Describe your direct and indirect administrative costs that would be associated with the administration of this grant.
10. Describe any other strength and/or capability not included above that you believe qualifies you to administer this grant.
11. Project the ROI of the requested grant funds to demonstrate the effectiveness and efficiency of your proposal. Describe the method being used to project an ROI, which must involve a detailed examination of outputs and outcomes.

#### **IV. Eligible Purposes**

Entities responding to this Notice are required to provide TA to non-profits and/or PHAs acquiring Section 515 projects with maturing mortgages for eligible expenses in any or all of the following areas: assisting non-profits or PHAs locate potential Section 515 properties with maturing mortgages for transfer; providing TA in the transfer analysis, negotiation, underwriting, and application process; and working with the non-profit or PHA to identify other financial assistance and help secure funding from other sources for the purpose of leveraging those funds with RHS funds. Costs will be limited to those that are allowed under 2 CFR part 200. The provider will need to secure RHS' written approval for payment of any services not specifically listed below.



1. Eligible purposes may include soft costs such as legal costs, tax consultation fee, financial analysis, transaction structuring analysis and documentation of other transaction details such as Capital Needs Assessments (CNA), appraisals, and market surveys or other consultation, advisory and non-construction services the buyer may be required to provide as part of the application process. Build materials, labor and trades or any costs or expenditures otherwise typically included as any hard costs for actual construction, repairs, prepayment, interest or principal payments or reductions or **other costs not disclosed to and approved by the RHS National Office prior to being incurred will not be eligible for** payment with any of the grant funds awarded under this Notice.

2. Grant funds will not be used by the provider for TA activities that are not directly related to a specific transaction (such as outreach, conferences, provider personnel education/training, etc.).

3. Grant funds will not be used by the provider for TA activities for transactions in which they have any direct or indirect ownership interest (regardless of whether it is an interest as a current or prospective owner).

4. In addition, if selected for funding, the respondent will be required to revise their SOW to identify any changes in the geographic location of the targeted areas and will submit their revised SOW to the National Office for approval. Any revision must not lower the initial score used in selection. If a revision lowers the score, it will result in a review of the initial scores for all applications received in the region and the grant will be awarded to the responding entity in the same manner as previously prescribed in this Notice. When submitted for approval, the respondent must also submit

a summary of their consultation with the RD State Directors. At grant closing, the revised SOW will be attached to, and become a part of, the Grant Agreement. Revision and consultation under this paragraph is not an eligible purpose.

## **V. Proposal and Submission Information**

All proposals must be delivered in three identical binders organized as follows:

### **A. Summary**

The proposal must include a summary page listing all of the following items.

This information should be double-spaced between items and not be in narrative form:

- A. Responding entity's name,
  - B. Responding entity's Taxpayer Identification Number,
  - C. Responding entity's address,
  - D. Responding entity's telephone number,
  - E. Name of responding entity's contact person, telephone number, and address,
  - F. Amount of grant requested,
  - G. The MFH TA grant region for which the proposal is submitted (i.e., North-East, South, Mid-West, or West), and
  - H. Responding entity's Dun and Bradstreet Data Universal Numbering System (DUNS) number, registration in the Central Contractor Registration (CCR) database prior to submitting a proposal pursuant to 2 CFR 25.200(b), and other supporting information to substantiate their legal authority and good standing.
- Organizations can receive a DUNS number at no cost by calling the dedicated toll-free DUNS Number request line at (866) 705-5711 or via the internet at <http://www.dnb.com/>.

Additional information concerning this requirement can be obtained on the grants.gov web Site at <http://www.grants.gov>. Similarly, respondents may register for the CCR at <https://uscontractingregistration.com> or by calling (877) 252-2700. In addition, the responding entity must maintain registration in the CCR database at all times during which it has an active Federal award or an application or plan under construction by the Agency. Similarly, all recipients of Federal financial assistance are required to report information about first-tier sub-awards and executive compensation in accordance with 2 CFR part 170, so long as an entity respondent does not have an exception under 2 CFR 170.110(b), the grantee must have the necessary processes and systems in place to comply with the reporting requirements should the responding entity receive funding. See 2 CFR 170.200(b).

#### **B. Felonies and Federal Tax Delinquencies**

Awards made under this Notice are subject to Sections 745 and 746 of the Consolidated Appropriations Act, 2017 (Pub. L. 115-31) regarding corporate felony convictions and corporate Federal tax delinquencies. To comply with these provisions, all respondents must complete and include the proposed paragraph (A) of this representation, and all corporate respondents also must complete paragraphs (B) and (C) of this representation:

(1) The responding entity: \_\_\_\_\_

[insert name] has\_\_\_\_\_ has not\_\_\_\_\_ (check one) filed articles of incorporation in one of the fifty States, the District of Columbia, or the various territories of the United States including American Samoa, Federated States of Micronesia, Guam, Midway Islands, Northern Mariana Islands, Puerto Rico, Republic of Palau,

Republic of the Marshall Islands or the U.S. Virgin Islands.

(2) Neither the responding entity nor any key principle or member of the controlling board, council, or governing body,

\_\_\_\_\_ [insert name] has\_\_\_\_\_ has not\_\_\_\_\_ (check one) been convicted of a felony criminal violation under Federal or State law in the 24 months preceding the date of application. The entity has\_\_\_\_\_ has not\_\_\_\_\_ (check one) had any officer or agent of the respondent convicted of a felony criminal violation for actions taken on behalf of the respondent under Federal or State law in the 24 months preceding the date of the signature on the pre-application.

(3) The responding entity\_\_\_\_\_ [insert name] has\_\_\_\_\_ does not have\_\_\_\_\_ (check one) any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an Agreement with the authority responsible for collecting the tax liability.

### **C. Organizational and Financial Status**

Proposals must include organizational status documents reflecting the criteria in Section II.B of this Notice, as well as financial statements to evidence the responding entity's status as a properly organized private or public non-profit or PHA and its financial ability to carry out the objectives of the grant program. If other entities will be working on behalf of the grantees, working agreements between the respondent and those entities must be submitted as part of the proposal and any associated cost must be included in the

responding entity's budget.

Responding entities must also disclose all RHS projects in which the respondent and or its third-party affiliates have a direct or indirect ownership interest.

#### **D. Organizational Expertise and Experience**

Responding entities must provide a capabilities statement describing the respondent's qualifications under Section II.A to provide TA on Section 515 transfers and loan applications.

##### **1. Narrative**

The responding entity must include a narrative describing its knowledge, demonstrated ability, and practical experience in providing training and TA to MFH applicants of loans or grants for the development or rehabilitation of MFH, and the number of projects to which they have provided such assistance. This includes its knowledge and demonstrated ability in estimating development and construction costs of MFH and for obtaining the necessary permits and clearances.

The responding entity must also explain why the targeted areas are at risk for loss of affordable housing.

##### **2. Specific MFH Experience**

For purposes of demonstrating past MFH experience of responding entities, the Agency will consider experience with MFH programs beyond USDA MFH programs.

The responding entity must identify the types of TA they proposed to offer will be delivered to the potential purchasers. Proposals must identify types of MFH financial assistance (loans, grants, tax credits, leveraged funding, etc.) for which the responding entity has applied in the last **5 years**, as well as the success ratio of those applications.

Proposals must also identify any applications of a third-party for MFH financial assistance where the responding entity assisted in the development and packaging of the application in the last **5 years**, as well as the success ratio of those applications.

Proposals must identify third parties to whom the responding entity has provided TA on applications for financial assistance for the development, rehabilitation or transfer of MFH projects in the last **5 years**.

Proposals must identify MFH projects for which the responding entity assisted in estimating transfer, development and rehabilitation/construction costs and obtaining permit and clearances in the last **5 years**.

Proposals must identify specific MFH projects for which the responding entity has been able to leverage funding from two or more sources for transfer, rehabilitation, or development.

For the projects and applications above, information must be provided concerning the number of housing units, their size, their design, and the amount of grant and loan funds that were secured.

### 3. Key Personnel

Proposals must include the resumes of the Key Personnel that will perform the day-to-day administration of this grant. Describe each Key Personnel's ability to perform the proposal's activities, and past experience in successfully managing grants. Also include an organizational plan that includes a staffing chart complete with name, job title, salary, hours, timelines, and descriptions of employee duties to achieve the objectives of the grant program.

### 4. Agents

If the responding entity intends to have other entities working on its behalf, the narrative must identify those entities and address their ability to meet the stated eligibility requirements.

#### **E. SOW**

Proposals must include a detailed SOW (see Section III of this Notice). The ROI description and method of evaluation is an integral part of the SOW and is a critical component of the selection process and is required under the Government Performance and Results Act of 1993 (PL 103-62).

#### **F. Scoring Criteria Worksheet**

Proposals must include a separate one-page information sheet listing each of the “Proposal Scoring Criteria” contained in Section VI of this Notice, followed by the page numbers of all relevant material and documentation that is contained in the proposal that supports these criteria.

### **VI. Proposal Review Information**

Only those respondents deemed to be qualified under Sections V.A, V.B and V.C of this Notice will be scored under this section. The review process designed for this RFP will evaluate the degree to which the proposal sets forth measurable realistic objectives that are consistent with this Notice and can be completed within realistic time frames consistent with the proposal and processing guidance established by RD transfer regulations. Proposals will only compete against other proposals within the same region previously identified in this Notice. Selection points will be awarded as follows:

#### **A. Key Personnel**

1. Key Personnel has successful verifiable experience performing the

requirements of this RFP:

Less than 2 years:	0 points
2 - 5 years:	5 points
More than 5 - 8 years:	10 points
More than 8 - 12 years:	20 points
More than 12 years:	30 points

2. Key Personnel has successful verifiable experience managing grants through their lifecycle:

1 or less grants:	0 points
2 - 4 grants:	5 points
5 - 8 grants:	10 points
9 - 12 grants:	20 points
13 or more grants:	30 points

## **B. Target Areas**

1. The more areas the proposal commits to targeting, the more points will be awarded. Points will be given based on the number of areas within a region that the responding entity has targeted:

5 or less targeted areas:	0 points
6 targeted areas:	5 points
7 targeted areas:	10 points
8 targeted areas:	15 points
9 or more targeted areas:	20 points

2. RHS wants the responding entity to cover as much of the grant region as



possible and as supported by the respective RD State Office(s). For this reason, additional points will be awarded to grant proposals that target areas in more than two States within the same region. All responses to this Notice only compete within the regions previously identified. The grant proposal commits to targeting areas in the following number of States:

Less than 3 States:	0 points
3 or 4 States:	5 points
5 or 6 States:	10 points
7 or 8 States:	15 points
9 or more States:	20 points

### **C. Multifamily Housing Experience**

1. The number of individually successful (approved, obligated or completed) multi-family loan or grant applications the responding entity has assisted in developing and packaging:

0 - 1 applications:	0 points
2 - 3 applications:	5 points
4 - 6 applications:	10 points
7 - 9 applications:	20 points
10 or more applications:	30 points

2. The number of clients seeking loans or grants for the development, rehabilitation, or transfer of multi-family projects to whom the respondent has provided training and TA.

0 - 1 clients:	0 points
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2 - 3 clients:	5 points
4 - 6 clients:	10 points
7 - 9 clients:	15 points
10 or more clients:	20 points

3. The number of multi-family projects for which the respondent has assisted in estimating transfer, development and rehabilitation/construction costs and obtaining the necessary permits and clearances:

0 to 1 projects:	0 points
2 to 4 projects:	5 points
5 to 7 projects:	10 points
8 to 9 projects:	15 points
10 or more projects:	20 points

4. The number of times the responding entity has been able to leverage funding from two or more sources for the transfer, rehabilitation, or development of a multi-family project.

0 to 1 times:	0 points
2 to 4 times:	5 points
5 to 10 times:	10 points
11 to 15 times:	15 points
16 or more times:	20 points

#### **D. Administrative Costs**

Administrative costs as a percentage of grant funds used:

More than 20%:	0 points
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15% or more but less 20%:	5 points
10% or more but less 15%:	15 points
5% or more but less 10%:	25 points
Less than 5%:	40 points

#### **E. Additional Factors**

In the event two or more proposals within a region are scored with an equal amount of points, the Agency will make selections based on achieving the maximum number of areas, regions, grantees and loan applicants being served, as well as cost-efficiency

All proposals received under this Notice and grantees will be screened for eligibility to participate in the grant program using Treasury's Do Not Pay Portal in compliance with the Improper Payments Elimination and Recovery Improvement Act.

RHS will notify all responding entities whether their proposal has been accepted or rejected and provide appeal rights under 7 CFR part 11, as appropriate.

#### **Paperwork Reduction Act**

The reporting requirements contained in this Notice have been approved by the OMB under Control Number 0575-0181.

#### **Non-Discrimination Statement**

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, employees, and institutions participating in or administering USDA programs are

prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, familial/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992, submit your completed form or letter to USDA by:

Mail: U.S. Department of Agriculture  
Director, Office of Adjudication  
1400 Independence Avenue, SW.,  
Washington, D.C. 20250-9410;  
Fax: (202) 690-7442; or

E-Mail: [program.intake@usda.gov](mailto:program.intake@usda.gov).

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Dated: February 15, 2018.

**Curtis M. Anderson,**

*Acting Administrator,*

*Rural Housing Service.*

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